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Division of Occupational
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February 12, 2003

**Subject: Lien Recovery Fund Special Assessment Amount
Final Amount Determined After Public Hearing**

As part of the February 12, 2003 Residence Lien Recovery Fund Advisory Board meeting, the Division held a public comment meeting regarding the proposed amounts to be charged as part of the upcoming Lien Recovery Fund special assessment. Based upon the comments made, the Division has altered the special assessment amounts from those proposed.

During the comment period, mention was made that the Division may have to comply with the requirements of Utah Code Ann. § 63-38-3.2(6), which requires any "agency that wishes to increase any regulatory fee by 5% or more shall obtain legislative approval for the fee increase as provided in this subsection before assessing the new regulatory fee." Both representatives of the Office of Attorney General assigned to advise the Division and the Fund reviewed this code provision and determined it does apply to the Lien Recovery Fund special assessment and, consequently, any special assessment could not exceed the original assessment (\$195) by more than 5 percent. Therefore, an assessment to suppliers of \$1,200 would not be allowable unless legislative review of the fee schedule were postponed until the next legislative session. Because Utah Code Ann. § 38-11-206(2) effectively constrains the Division to issuing the special assessment within the next few weeks, delaying for legislative review is not possible. Consequently, the Division Director lowered the assessment for suppliers.

After adjusting for the change to the supplier assessment, the final amounts approved by the Director are as follows:

- Contractors, unless exempt from registration with the Fund, will be required to pay **\$125** to renew their Lien Recovery Fund registration. Failure to renew the registration will result in denial of renewal of the contractor's license.
- Fund registrants that are licensed by the Division in a capacity other than as a contractor will be required to pay **\$65** to renew their registration. Failure to renew the registration will result in expiration of the Fund registration with a consequent loss of ability to claim against the Fund but will not affect the registrant's license.
- Supplier and any other registrants not licensed by the Division that wish to remain registered with the Fund will be required to pay **\$125** to renew their



registration. Failure to renew the registration will result in expiration of the Fund registration with a consequent loss of ability to claim against the Fund.

The Division thanks all those who have provided input and suggestions regarding this matter. Anyone desiring additional information may call me at any time.

Respectfully,



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